

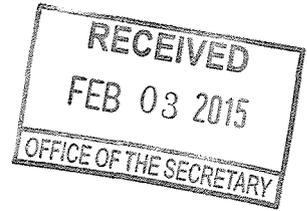
UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES ACT OF 1933
Release No. 9690/December 16, 2014

SECURITIES EXCHANGE ACT OF 1934
Release No. 73851/December 16, 2014

INVESTMENT COMPANY ACT OF 1940
Release No. 31378/December 16, 2014

ADMINISTRATIVE PROCEEDING
File No. 3-16318



In the Matter of

MICHAEL W. CROW,
ALEXANDRE S. CLUG,
AURUM MINING, LLC,
PANAM TERRA, INC.,
and THE CORSAIR GROUP,
INC.

Respondents.

RESPONDENTS' MOTION FOR A MORE DEFINITE STATEMENT

Respondents MICHAEL W. CROW ("Crow"), ALEXANDRE S. CLUG ("Clug"), AURUM MINING, LLC ("Aurum"), PANAM TERRA, INC. ("PanAm"), and THE CORSAIR GROUP, INC. ("Corsair") by and through their undersigned counsel pursuant to Rule 220(d), move for a more definite statement as to certain allegations set forth in the Order Instituting Administrative and Cease-and-Desist Proceedings Pursuant to Section 8A of the Securities Act

of 1933, Sections 15(B) and 21C of the Securities Exchange Act of 1934, and Section 9(b) of the Investment Company Act of 1940, and Notice of Hearing (“Order”) in paragraphs 34, 45, 47, and 53, and state as follows:

1. The Commission is seeking relief against Crow, Clug, Aurum and PanAm for alleged violations of 17(a) of the Securities Act, 10(b) of The Exchange Act and Rule 10b-5 thereunder; as to PanAm, additional relief for alleged violations of 13(a) of The Exchange Act and Rules 12b-20, 13a - 1 and 13a-13 thereunder; and relief is sought against Crow and Clug for aiding and abetting same, as to Clug relief for violation of 13a-14 and as to Crow, Clug and Corsair, for violation of Section 15(a)(1) of The Exchange Act, and as to Crow relief for alleged violation of Section 15(b)(6)(A) and (B). All as more specifically set forth in the Order.

2. The Commission through the Order has, for the most part, made specific allegations of fraud but in various paragraphs addressed in this Motion for a More Definite Statement (“Motion”), have asserted claims based upon vague non-specific “catch all” allegations which fail to sufficiently inform Respondents of the charges against them so they can adequately prepare a defense.

3. This Motion is directed to the following allegations in the paragraphs set forth below (*emphasis supplied by underline as to portions relevant to this Motion*).

¶ 34. Both the December 2011 PPM and the PPM Update Letter contained material misrepresentations and omissions designed to entice investors to retain or increase their investments in Aurum.

¶ 40. The December 2011 PPM and PPM Update Letter also contained material misrepresentations and omissions concerning, among other things: (a) the use of investor proceeds; (b) test results and financial projections relating to the Batalha property; and (c) the acquisition of other gold properties in Peru.

¶ 45. Between mid-January and February 2012, Aurum sent the PPM Update Letter to all the note investors and urged them to convert their notes into equity (with misleading information about Aurum’s business prospects in Brazil and

Peru). Aurum also sent the PPM Update Letter to existing equity investors inducing them to invest more money in Aurum.

¶ 47. In mid-2012, Aurum started sending (quarterly reports to “update” existing and prospective Aurum investors which were replete with material misrepresentations and omissions about Aurum’s business prospects). Through these quarterly reports, Aurum misled investors about its ownership interests in various mineral properties in Brazil and Peru, the test results obtained from those properties, and the timing of production and cash flow associated with those properties. The quarterly updates were written or reviewed by Crow and Clug.

¶ 53. By September 2012, the approximately \$2 million raised from the equity offering was substantially depleted. Aurum then prepared a new PPM dated September 15, 2012 (“September 2012 PPM”) in a bid to raise \$1 million purportedly to build a mineral processing plant and launch mining operations in Peru. Subsequently, Aurum used another PPM dated January 1, 2013 (“January 2013 PPM”), a Confidential Information Memorandum (“CIM”), and an Aurum Business Plan dated January 30, 2013 (“Aurum Business Plan”), in a bid to raise an additional \$1 million, also purportedly to build a mineral processing plant and launch mining operations in Peru. The September 2012 PPM, January 2013 PPM, CIM, and Aurum Business Plan also contained material misrepresentations and omissions.

¶ 55. The CIM also stated that Aurum’s quick-to-production approach was “focused on generating positive cash flows quickly and the inferred gold resources of the Molle Huacan property means long-term cash flows from its operations.” In addition, the CIM confirmed that Aurum had obtained all the required permits and was going into production, falsely stating that “initial production commenced in April 2013” and that Molle Huacan will be in phase 2 production in mid-2013. The CIM projected that within 5 years, Aurum will realize \$194,762,960 in net income from Molle Huacan.

¶ 57. Furthermore, the Aurum Business Plan, which was used as a marketing tool, also contained material misrepresentations and omissions. For instance, it stated that exploration had “confirmed the presence of 7 mineral veins within Molle Huacan” and that “[t]hese rosy class veins have grades between 3 grams and 25 grams of gold.” It also estimated that Molle Huacan contained inferred gold mineral resources of a minimum 2,842,000 ounces” on one vein alone. Geologist B found these estimates to inaccurate and exaggerated.

¶ 60. Crow and Clug knew or should have known that the PPMs, PPM Update Letters, the quarterly update reports, and other offering documents disseminated to investors contained material misrepresentations and omissions. Crow and Clug were Aurum’s principals, and each was a managing member of Aurum. Each participated in the drafting and approval of the offering documents, and, was directly involved with Aurum’s activities in Brazil and Peru.

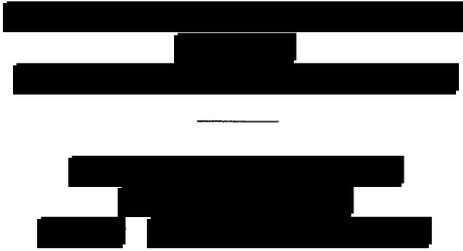
4. As to the portions of these allegations which are the subject of this Motion other than as set forth in other paragraphs of the Order, no specificity is provided as to what misrepresentations are contained in the 2011 PPM and Update Letter (§§ 34, 40, 45); the Quarterly Reports (§ 47), the September 2012 PPM, January 2013 PPM, and the document is referred to as the CIM (CIM is not referenced by date and unclear as to what document is referenced §§53, 55); the Aurum business Plan (§ 57), and the PPMs, PPM Update Letters, quarterly reports and other offering documents (§60).

5. To the extent that the misrepresentations are not delineated elsewhere and the Commission intends to claim there are additional misrepresentations or omissions, they should be identified.

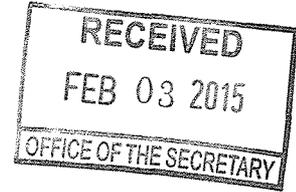
6. The mere statements that the December 2011 PPM and PPM Update Letter contained material misrepresentations and omissions and the quarter reports were replete with material misrepresentations and omissions about Aurum's business prospects are lacking factual allegations to put Respondents on notice to any additional claims the Commission may be seeking. There were a number of drafts of the CIM and Respondents are unsure as which document this allegation refers (§§ 53, 55). The above underlined portions of the specific paragraphs fail to put Respondents on notice of the fraudulent representations or omissions.

WHEREFORE, Respondents MICHAEL W. CROW, ALEXANDRE S. CLUG, AURUM MINING, LLC, PANAM TERRA, INC., and THE CORSAIR GROUP, INC. pursuant to Rule 220(d) request an order requiring the Commission to provide a more definite statement as to paragraphs 34, 40, 45, 47, 54, 55, 57 and 60 of the Order.

LAW OFFICES OF
Mark C. Perry, P.A.
COASTAL BUILDING



February 2, 2015



Via Federal Express 772797491164

Commission's Secretary
Office of Administrative Law Judges
U.S. Securities and Exchange Commission
100 F Street, NE, Mail Stop 1090
Washington, DC 20549

Re: SEC vs. Michael W. Crow, Alexandre S. Clug, Aurum Mining, LLC,
Panan Terra, Inc., and The Corsair Group, Inc.
Administrative Proceeding File No.: 3-16318

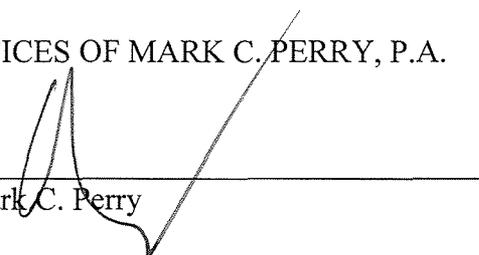
Dear Commission Secretary:

Enclosed with this correspondence please find original and three (3) copies of the following for filing with this Office with respect to the above referenced matter.

1. Respondents' Motion for a More Definite Statement.
2. Memorandum and Points of Authorities in Support of Respondents' Motion for a More Definite Statement.
3. Respondents' Answer to Order Instituting Administrative and Cease-and-Desist Proceedings Pursuant to Section 8A of the Securities Act of 1933, Sections 15(B) and 21C of the Securities Exchange Act of 1934, and Section 9(b) of the Investment Company Act of 1940, and Notice of Hearing and Respondents' Affirmative Defenses.

Respectfully submitted.

LAW OFFICES OF MARK C. PERRY, P.A.

By: 
Mark C. Perry

MCP/mrt
Enclosures

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